Differentiators:

- Core of this textbook is from 4th edition previously published by McGraw Hill.

- The authors have updated 5e to deliver a more concise alternative (approximately 450 pages) to the old style exhaustive, encyclopedic approach of the major competitors.

- 5e covers the important areas CB instructors would likely want covered, but omits material less essential to the student’s education in consumer behavior. As the authors note, “Our own experience with using the ‘old school texts’ shows us that students are not compliant in reading a 35+ page chapter assignment, but will prepare for a class where the reading is half that long.”

- Emphasis on the practical application of the chapter material meets students’ bias for retaining that which can help them become successful in a marketing career.

- The text thoroughly incorporates marketing realism, stressing the application of conceptual material to marketing strategies and decision making in the private, public, and nonprofit sectors.

- Considerable effort has been made to present the material clearly and in a style that is readable, interesting, and motivating to students. Unnecessary jargon has been avoided, and behavioral concepts have been defined in simple language. Each chapter concludes with a section on “putting the theory into practice” and managerial summaries to reinforce major points.
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Chapter 8

Reference Group and Family

Chapter Outline

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   8-1b Degree of Personal Involvement
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We begin our series of chapters devoted to a discussion of the social, or interpersonal, factors influencing behavior with those closest to the individual -- families and reference groups. We begin with a discussion of how groups influence consumer behavior, and then look specifically at families as a special case of a reference group.

8-1 CLASSIFICATION OF GROUPS

A group consists of people who have a sense of relatedness as a result of interaction with each other. Groups may be classified according to a number of dimensions, including function, degree of personal involvement, and degree of organization.

8-1a Content or Function. Most of us view the content of groups in terms of their function. For example, we categorize them along such lines as students, factory workers, church members, and so on.

8-1b Degree of Personal Involvement. By using this criterion, we can identify two different types of groups: primary and secondary. The hallmark of a primary group is that interpersonal relationships take place usually on a face-to-face basis, with great frequency, and on an intimate level. These groups have shared norms and interlocking roles. Families, work groups, and even recreational groups (if individuals have some depth of personal involvement) are examples of such groups.

Secondary, groups are those in which the relationship among members is relatively impersonal and formalized. This amounts to a residual category that includes all groups that are not primary, such as political parties, unions, occasional sports groups, and organizations like the American Marketing Association. Although such groups are secondary, the interpersonal relationships that occur may nevertheless be face-to-face. The distinction lies in the lack of intimacy of personal involvement.

8-1c Degree of Organization. Groups range from those that are relatively unorganized to highly structured forms. We usually simplify this continuum into two types: formal and informal. Formal groups are those with a definite structure (for example, they may have a president, vice president, secretary, and treasurer). They are likely to be secondary groups designed to accomplish specific goals, whether economic, social, political, or altruistic. The United Way, the Humane Society, and the local Republican Party are examples. Informal groups are typically primary groups, characterized by a relatively loose structure, a lack of clearly defined goals or objectives, unstructured interaction, and unwritten rules. Because of the extent of their influence on individuals’ values and activities, informal groups are typically of greater importance to us in seeking to understand consumer behavior.

Primary informal groups have the greatest degree of impact on consumers and are, therefore, most important to marketers. From such groups, consumers develop their product-consumption, shopping, and media patterns. Consequently, these groups are generally most influential on consumers’ buying behavior. As a result, advertisers normally present their products within a primary group setting such as among friends (Coca-Cola, Pizza Hut), family (Pillsbury Pop Tarts, Johnson’s Baby Powder, Cheer detergent), or work groups (Degree deodorant, Brooks Brothers suits).
Secondary informal groups probably are the next most influential to consumers and, therefore, are sometimes used in advertising efforts. For example, a new type of golf club, tennis racket, or snow ski may be featured in the appropriate friendly, competitive, but professional-looking surroundings in which the product and user may be shown excelling and being rewarded with admiration.

8-2 GROUP PROPERTIES

In order to better understand the nature of groups, we need to examine several other important concepts, including status, norms, role, socialization, and power, and their significance for consumer behavior.

Status refers to the achieved or ascribed position of an individual in a group or in society, and it consists of the rights and duties associated with that position.

Norms are the rules and standards of conduct by which group members are expected to abide. For informal groups, norms are generally unwritten but are, nevertheless, usually quite well understood. For example, as an account representative for a large stock brokerage organization, you might be expected to live in a certain area of town, drive a certain type of car (maybe a Buick LaCrosse), and dress conservatively (such as in a dark grey suit and striped tie). Behavior deviation outside these attitudes might result in slower advancement in the organization. Thus, as employees or consumers, we often readily know what we can and cannot wear, drive, say, eat, and so on, in order to be well accepted within the relevant group.

The term role is used to designate all of the behavior patterns associated with a particular status. Role is the dynamic aspect of status and includes the attitudes, values, and behavior ascribed by the society to persons occupying this status. Each consumer enacts many roles, which may change over time, even during the course of a day. For example, Olivia has the role of wife, mother, employee, family financial officer, Sunday school teacher, and many others. Her behavior in each of these roles will differ as she keeps “changing hats,” depending on her role at each moment.

Roles have a strong, pervasive influence on our activities as consumers. For example, other people have expectations regarding the products we buy to meet the needs of our roles. Just a few of the many consumption decisions directly affected include the places we shop, the clothes we wear, the cars we drive, the houses in which we live, and the recreational activities we engage in. For instance, celebrities may feel the need to drive expensive cars such as a Bentley, live in upper echelon neighborhoods like Beverly Hills, wear top clothing brands such as Christian Dior, and give generously to charities like the Elton John Aids Foundation. Marketers help individuals play their roles by providing the right costumes and props to be used in gaining acceptance by some group. Again, it’s the symbols of products that provide so much of the satisfaction that accrues from a product.

Socialization refers to the process by which a new member
learns the system of values, norms, and expected behavior patterns of the group being entered. When new students arrive on a college campus, they soon learn from fellow students what is expected in the way of dress, eating patterns, class attendance, extracurricular activities, and so on. Residents new to a neighborhood quickly learn what patterns are expected concerning home maintenance, lawns and landscaping, interior decorating, entertaining, and so on.

Having discussed some important group concepts necessary for our interests, let us further examine the topic of reference group influence.

### 8-2a Types of Reference Groups

Reference groups are those an individual uses (that is, refers to) in determining his judgments, beliefs, and behavior. These may be of a number of types, as explained by the following classification system.

**Membership versus Nonmembership:** Membership or associative groups are those to which the individual belongs. Membership in some groups is automatic by virtue of the consumer’s age, sex, education, and marital status. Before buying, a consumer might consider whether purchase or use of a product would be consistent with his or her role as a member of one of these groups. Research has shown that even consumers who consider themselves individualistic react positively to products linked to their membership reference groups.¹

Nonmembership groups are those to which the individual does not presently belong. Many of these groups are likely to be anticipatory or aspirational in nature, that is, those to which the individual aspires to belong. Such aspirational groups can have a profound influence on nonmembers because of their strong desire to join the group. This pattern of behavior is evident among upwardly mobile consumers who aspire to join higher-status clubs and social groups.

**Positive versus Negative:** Reference groups can also be classified as to whether they attract or repel the individual. For instance, a positive reference group for the upwardly mobile consumer may be the country club crowd in that city. There are negative groups, however, that a person attempts to avoid being identified with.² For example, an individual who is trying to succeed as a new management trainee may attempt through her speech, dress, and mannerisms to disassociate herself from her lower social class background in order to have a greater chance of success in her job.

**Virtual Reference Groups:** Virtual communities are a type of consumer reference group that has arisen with the increased use of the internet. The group has a shared interest and they interact over time on the internet.³ Interactions may take place at a dedicated website, Usenet (internet-based message boards), or blogs. Sites might be created for a shared hobby (e.g., photography, genealogy, scrapbooking), activity (e.g., marathoners, organists, pilots), interests or causes (e.g., Star Wars fans, Tea Party political movement, pro-life advocates), or brands (e.g., John Deere, Lego, and Mini Cooper). At social network sites like Facebook.com consumers can link with others to see who else on their friend list is online when they are so that they can join an instant messaging discussion. Virtual communities do lack the face-to-face interaction of more traditional communities. There is, however, a definite sense of belonging to a group, where interactions lead to emotional and affective attachment among members and demonstrate true group dynamics. Virtual communities give members access to
information, meaningful fellowship, and social interaction. A definite social community emerges that exhibits the following: elders providing advice and guidance to novices; a social status of members, usually based on expertise; etiquette is established and expected; a lexicon peculiar to the type of group evolves; and sanctions exist for behavior that violates the social norms. Participation varies from observation only to extensive daily interaction across a range of discussion topics. Participation by marketers in a virtual community can range from placing ads, which might be actively solicited by administrators of the website, or be disallowed in any overt form at the community website. Members may learn of a marketer’s offerings through the grapevine and initiate contact with marketers who monitor the site, but selling practices are strictly proscribed by the administrators for marketers. In some cases, marketers must register, pay a fee, and be accessed through only specific portals on the site that are clearly marked as a commercial link. As a good community member, marketers are expected to provide helpful, truthful information that adheres to a normative code, just as other members do.4

Brand Communities: A brand community is “a specialized, non-geographical bound community, based on a structured set of social relationships among admirers of a brand...marked by a shared consciousness, rituals and traditions, and a sense of moral responsibility.”5 Obviously, marketers would be very interested in having this type of reference group form around their brand. Such a brand community exists for such cultural icons as Harley Davidson motorcycles (www.harleydavidson.com) and Apple iPods (www.ipodlounge.com), but also for many less obvious brands such as Buick vehicles (http://www.buickclub.org). The Jeep brand illustrates effective development of a strong brand community.

Since 87% of consumers trust friends’ opinions over those of critics, Organic, a leading digital marketing agency, worked with Jeep to build an outstanding brand community. They knew that the car buying experience has evolved dramatically over the years. For example, today, over 88% of all new car buyers start online. So Jeep seeks to engage potential buyers at every step of the purchase process, utilizing all digital avenues to reach them: online advertising, social networks, and search engine optimization. Organic established The Jeep Experience on jeep.com, which is a social media portal that highlights the best of user-generated content such as Jeep-related photos. The website assists and informs the purchase process and helps create experiences that dramatically demonstrate the Jeep lifestyle, improve brand consideration, and introduce targets to a brand that may not be in their initial consideration set. It links to fan bases on social media sites and to Jeep channels on Flickr and YouTube. Potential buyers who browse The Jeep Experience are twice as likely to compare specifications, 22% more likely to search inventory, twice as likely to schedule a test drive, and 31% more likely to request a quote. After the purchase, Organic helps convert Jeep owners into members of an online Jeep community that constitutes Jeep’s greatest brand advocates.6 The result is that Jeep has a highly developed brand community, offering many opportunities for Jeep owners to socialize and increase their attachment to the brand, sponsoring such activities as:

- Jeep Jamborees (regional rallies of offroading)
- Camp Jeep (national rallies with offroading, seminars, other brand-related activities)
- Jeep 101 (an off-road driving course)

Thus, Jeep has strengthened its bond with owners and has fostered a sense that the owner belongs to a community of like-minded individuals.7
Thus, a new Jeep owner not only satisfies social needs but also esteem needs, which they associate with the Jeep brand. This makes an exit cost very high for choosing a replacement vehicle of brand other than a Jeep.

Corporate sponsorship of a brand community generally requires a hefty investment in time and money, and usually requires establishing a corporate group dedicated to this task.

The involvement level of the brand owner is very high in brand communities, which is a good thing when they are espousing positive attributes of ownership, but can be very bad when the wrong kind of owner is unhappy and goes to considerable effort to tell everyone about his (yes, they are usually male) unhappiness. Dell computer once experienced such wrath as evidenced by the approximately 300,000 internet search results produced for the term “Dell sucks.”

**8-2b Reasons for Accepting Reference-Group Influence.** At a more specific level, consumers may be seen to accept reference-group influence because of its role in providing informational, utilitarian, and value-expressive benefits.\(^8\)

**Informational Benefits:** One reason reference-group influence is accepted (or internalized) is that the consumer perceives that his knowledge of his environment and/or his ability to cope with some aspect of it (such as buying a product) is enhanced. Consumers most readily accept those information sources that are thought to be most credible. A consumer using an informational reference group may (1) actively search for information from opinion leaders or some group with the appropriate expertise or (2) come to some conclusion through observing the behavior of other people. Therefore, actual physical interaction with the group is not necessary in this type of information search.

In this situation, then, the marketer may be able to appeal to consumers through the use of advertising testimonials from experts or even persons on the street, or by encouraging consumers to find out more about the brand from friends, neighbors, or work associates. This personal source of information is often more influential in purchasing than are commercial sources such as advertising and salespeople, as studies of food, small appliances, and other products indicate. For example, a consumer contemplating a major automobile purchase will rely on friends, salespersons, product-rating magazines, and internet websites if the information obtained is perceived as credible. Thus, consumers accept such expertise because of its informational benefits.

**Utilitarian Benefits:** This reason refers to pressure on the individual to conform to the preferences or expectations of another individual or group. In a product-purchasing situation, the consumer will comply if (1) she believes that her behavior is visible or known to others, (2) she perceives that others control significant sanctions (rewards or punishments), and (3) she is motivated to realize the reward or avoid punishment.

Visibility is very important in order for this normative influence to operate.\(^9\) In situations in which the product is visible or the effects from its use or nonuse are visible, reference groups are able to exert strong normative influence. Thus, products such as clothing and furniture are highly visible to others and therefore are quite susceptible to normative group influence. Even for items which are not themselves visible to others when in use (such as antiperspirant deodorants), normative influence is still likely to be strong, because the effects of nonuse will be rather evident (for example, body odor and a stained dress or shirt underarm area). Consequently, fear of group reaction will influence the product’s use.

**Value-Expressive Benefits:** These relate to an individual’s motive to enhance or support his self-concept by associating himself with positive reference groups and/or disassociating himself from negative referents. Value-expressive reference-group influence is characterized by two different processes. First, an individual may utilize reference groups to express himself or bolster his ego. Second,
an individual may simply like the group and therefore accept its influence. Thus, an individual adopts behavior derived from the group (e.g., a college fraternity or sorority) as a way of establishing or maintaining the desired relationship to the group and the self-image provided by this relationship. The individual may say what the group members say, do what they do, and believe what they believe in order to foster the relationship and the satisfying self-image it provides.

8-3 THE NATURE OF REFERENCE-GROUP INFLUENCE

Reference-group influence has the potential to be quite strong. This section describes several studies showing its importance in general as well as in a consumer behavior context.

8-3a General Influence Studies. One classic experiment showing that a group may induce strong pressure on an individual to conform involved groups of seven to nine college students brought together and instructed to judge the lengths of lines drawn on cards. All group members but one—the naive subject—were instructed to give an incorrect response. The naive subject gave his answer after most of the group had answered. He thus found his judgment in opposition to that of the rest of the group. The result of the experiments with 123 naive subjects tested on 12 critical judgments was that 37 percent of the total number of judgments conformed to the incorrect answers of the remainder of the group acting in unison.10

Other experiments have been conducted with similar goals but with a different technique. Rather than allowing group members to have face-to-face oral communication with the group as in the situation above, individuals in these experiments were somewhat removed from each other, communicated only indirectly, and were to some degree anonymous. The kind of yielding that occurred and its psychological significance were determined to be the same under both experimental approaches. However, the former situation imposed more powerful group pressure on the individual, resulting in a greater average amount of conformity.11

Another experiment provided an indication of the strength of the group norms enforcing conformity. Subjects were brought into a dark room and asked to judge the distance and direction of movement of a small point of light. Although the light was actually stationary, it appeared to move because of the autokinetic effect, that is, an illusion of movement due to small tremors in the eye. Group members arrived at a consensus that tended to be maintained when individual members were asked to give their judgments after the group had dispersed.12

8-3b Consumer-Oriented Studies. Researchers have studied the influence of group pressure on consumer decision making and the effects of choice restriction by group pressure in the consumer decision-making process. Student subjects were instructed to evaluate and choose the best suit among three identical men’s suits. Three group members (all confederates of the researcher) were instructed to select suit B, which then put pressure on the naive subject, who was questioned last, to agree with the group or to differ in his judgment and thus resist the group influence. It was found that individuals tended to conform to the group norm. The implication is that consumers accept information provided by their peer groups on the quality of a product, of a style, and so forth, which is difficult to evaluate...
In addition, the study sought to determine the extent to which individuals might be controlled in a buying situation. The study’s confederate subjects were instructed to give responses which indicated that they were good guys merely going along with the group consensus. The implication was that the naive subjects should also go along with the group. They were thus in a position of having to respond to an obvious effort at group pressure. It was found that any attempt to restrict independent choice behavior in the consumer decision-making process may be resisted under certain conditions. We see the occurrence of this in the marketplace when an individual conforms to the group norm by keeping a new product or adopting a new style, but maintains his or her independence by purchasing a different color or brand. This situation is known as reactance, whereby the individual is motivated to resist further reduction in his or her set of free behaviors and to avoid compliance with the inducing agent, in this case his or her reference group. It is possible, therefore, that too obvious an attempt to force compliance with a group may have the opposite effect on consumers, and thus they may strike out in an independent direction to avoid going along with the group.13

In order for psychological reactance to occur, then, two elements must be present.14 First, a consumer must expect a measure of freedom to act in a given situation. Second, some threat must arise that infringes upon that important freedom. Sources of such threats may range from social influence attempts by other people, to impersonal barriers to action (such as product unavailability), or they may even be self-imposed, simply because the individual, by entering into the process of a decision, arrives at a point beyond which there will be an unwanted reduction in freedom.15 When an individual’s freedom to engage in a specific behavior is threatened, the threatened behavior becomes more attractive.16 Studies of retail advertisements in which limits are placed on the consumer have shown increased attraction from the consumer. For example, in sales of limited duration, ads for one-day-only sales (Macy’s uses this approach frequently) resulted in greater purchase likelihood than ads for sales of longer duration.17 Another retail ad study showed that limits on soft drink purchase quantity (e.g., limit two per customer, limit four per customer) were capable of increasing attraction to the advertised product.18 Reactance theory may help explain such situations as the following:

- When the Coca-Cola Company launched New Coke and abandoned their standard product recipe, many consumers were outraged because it threatened their freedom to obtain the familiar and constant product they had grown accustomed to.
- Home Shopping Network (HSN) sells products on cable television channels. Consumers must phone in their orders within a short period (5-15 minutes) during which a product is offered. This time barrier may promote reactance and therefore result in increased attraction and sales.
- How communication messages should be designed to persuade individuals about health issues (e.g., flossing or binge drinking) without arousing too much reactance in the target group.
• How communication messages should be designed to persuade individuals about health issues (e.g., flossing or binge drinking) without arousing too much reactance in the target group.\textsuperscript{19}

How do reference groups act as mediators of reactance processes? Studies have found, for example, that one’s immediate group can suppress manifestations of reactance. When there is expected to be no future interaction between the individual and the group, the individual will tend to act contrary to the pressure (creating a boomerang effect). However, when future interaction is anticipated, subjects tend to conform to the group pressure; that is, the salient group apparently holds the reactance response in check.\textsuperscript{20}

Reference groups may also influence shopping/purchasing patterns. A study of in-store shopping behavior indicated that multiple shopping parties made many more changes in shopping plans than did single shoppers. Compared to single shoppers, less than half as many parties of three or more persons purchased as many items as planned. However, group influence worked both ways; compared with single shoppers, larger proportions of parties of three or more bought both more and less than planned.\textsuperscript{21}

Another experiment was conducted to determine whether small, informal groups influence the formation of brand loyalty. In this study, consumers from preexisting reference groups selected a loaf of bread from four identical loaves marked with different letters representing fictitious brands. Based on the individuals’ choices, it was concluded that informal groups had definite influence on their members toward conformity behavior with respect to brands of bread preferred. Moreover, the extent and degree of brand loyalty within a group was closely related to the behavior of the informal leader.\textsuperscript{22} A replication of this experiment, however, produced findings that were contrary. Evidence that group influence was not established was used to support the argument that products low in visibility, complexity, and perceived risk, and high in testability, are not likely to be susceptible to personal influence.\textsuperscript{23}

Studies have shown that shared experiences can affect a person’s attitude toward a product. By simply being with another person when experiencing a particular product, a consumer will react to the other’s actions and emotions. If the other person displays non-verbal indications of like, dislike, comfort, discomfort, boredom, or exhilaration, then a given consumer is likely to share the same experience.\textsuperscript{24}

The research approaches described above generally suggest that the responses of others establish a norm to which subjects comply. One study, however, suggests that such normative effects may have been too readily inferred from observations of unanimous or consensus behavior among group members. In effect, people may use the product evaluation of others as a source of information about products; that is, they infer from such evaluations that the product is, indeed, a better product. Such a situation probably occurs regularly in shopping activities and in social groups.\textsuperscript{25} Thus, rather than having a situation whereby the basis for group agreement is normative, it may be that members go along with the group because, as a result of observing the group’s reaction, they perceive the product differently.

A final research area has been the influence of group discussion versus lecture or one-way communication when changing consumer attitudes and behavior. In one experiment, an attempt was made to change homemakers’ meat consumption habits; half of the groups involved heard a lecture on the subject, while the other groups engaged in discussions. Although each group received the same information, results indicated that more women in the discussion groups used the recommended
meats than did individuals in the lecture groups. Thus, group interaction was found to be a strong influence in promoting changed attitudes and behavior in various types of groups, even among those whose members were initially strangers.26

The groups involved in most of these experiments were made up of subjects who either did not know each other initially or were only slightly acquainted. Imagine how much more significant and strong the potential influence, then, from a group with which the individual strongly identifies or uses as a referent, such as family, close friends, or colleagues. In fact, researchers have examined such a setting—a social sorority—to determine how the women selected which of three different theme parties would be given on their behalf. The results were helpful in understanding how a group comprised of several subgroups arrives at a consumer decision that has collective and individual consequences. The research showed that cognitions are not only the product of the individual’s cognitive activities within a social vacuum, but are strongly affected by structured systems of social interaction. Hence, such a sociocognitive analysis has structure and social processes at subgroup and group levels. Decisions by social entities, other than a household, to purchase goods and services consumed by the entire group are a pervasive but much overlooked consumer research area. Such topics as how friends decide where to go to see a movie, to eat, or to shop, or where to go on vacation; how co-workers decide on a genre for background music; and how athletes choose their team’s uniforms or equipment are all significant subjects for future study.27

Recent research has indicated that influence of peers on their friends might be shrinking, however.28

### 8-4 THE VARIABILITY OF REFERENCE-GROUP INFLUENCE

Reference groups can be very potent influences on behavior in general, and they may also be very influential on consumer behavior. For example, before making a decision about purchasing a product, consumers often consider what a particular group would do in this situation, or what they would think of the consumer for purchasing the product. This commonsense notion, however, has been difficult to apply meaningfully in specific marketing situations. The basic problem is one of determining which kinds of groups are likely to be referred to by which kinds of individuals under which kinds of situations in making which decision, and of measuring the extent of this influence. Nevertheless, a start has been made in understanding this process. This section discusses some of what we know about the variability of reference-group influence on consumers.

#### 8-4a Variability among Products.

When the influence of reference groups on the purchase of a number of consumer goods was first studied, it was found that the conspicuousness of a product is a strong determinant of its susceptibility to reference-group influence. Conspicuousness may be of two forms, however. First, the item must be exclusive in some way. If virtually everyone owns it, it is not conspicuous in the first sense, even though it may be highly visible. Operationally, we may think of this as the distinction between luxuries (having a degree of exclusivity) and necessities (possessed by virtually everyone). Second, the item must be seen or identified by others. Thus, where an item is consumed has great relevance. In this situation, a distinction may be made between publicly consumed products (which are seen by others) and privately consumed items (not seen by others). Reference groups may influence either the purchase of a product or the choice of a particular brand, or both.
Other consumer researchers have investigated the role of reference-group influence on product and brand choice for several product categories. One of these studies combines the concepts of public-private consumption and luxury-necessity items and, when applied to product and brand decisions, offers a set of eight reference-group influence relationships.29

1. **Publicly consumed luxury** -- a product consumed in public view and not commonly owned or used (such as golf clubs). In this case, whether or not the product is owned and also what brand is purchased is likely to be influenced by others. Relationships with reference-group influence:
   a) Because it is a luxury, influence for the *product* should be strong.
   b) Because it will be seen by others, influence for the *brand* of the product should be strong.

2. **Privately consumed luxury** -- a product consumed out of public view and not commonly owned or used (for example, a trash compactor). In many cases, the brand is not conspicuous or socially important and is a matter of individual choice, but ownership of the product does convey a message about the owner. Relationships with reference-group influence:
   a) Because it is a luxury, influence for the *product* should be strong.
   b) Because it will not be seen by others, influence for the *brand* of the product should be weak.

3. **Publicly consumed necessity** -- a product consumed in public view that virtually everyone owns (such as a wristwatch). This group is made up of products that essentially all people or a large proportion of people use, although they differ as to what type of brand to use. Relationships with reference-group influence:
   a) Because it is a necessity, influence for the *product* should be weak.
   b) Because it will be seen by others, influence for the *brand* of the product should be strong.

4. **Privately consumed necessity** -- a product consumed out of public view that virtually everyone owns (such as a mattress). Purchasing behavior is largely governed by product attributes rather than by the influences of others. In this group, neither products nor brands tend to be socially conspicuous, and the products are owned by nearly all consumers. Relationships to reference-group influence:
   a) Because it is a necessity, influence for the *product* should be weak.
   b) Because it will not be seen by others, influence for the *brand* of the product should be weak.

More refinement is needed for understanding such reference influence, however. Research indicates, for example, that consumers perceive their own personal preferences to strongly outweigh reference groups’ in arriving at their product and brand decisions. Evidence of the extent of reference-group influence for different product categories shows that the perceived influence of reference groups is substantially underestimated by the consumer. The consumer views herself as largely independent of the implicit social pressures exerted on her product and brand selection by reference groups. For major durables or family products, the greatest group influence comes from the family. Other reference groups are more influential in the case of products linked to social visibility or social status.

The marketer should also be aware that some shifting of product perceptions may occur over time. For example, a product may shift from a category in which reference-group influence is weak to another in which it is strong, especially through the use of heavy promotional efforts designed to create a favorable image and make a product or brand socially conspicuous. Products that are not publicly conspicuous, such as soap and men’s underwear, could be brought out into the open in order to create
more visibility, develop an image for them, and stress the importance of the brand.\textsuperscript{30} For example, featuring male movie stars and athletes wearing the brand, such as was done by Hanes with Michael Jordan, enhances the visibility. Similarly, Joy increases the conspicuousness of its liquid dish detergent by claiming that it can “say something kind of nice about you” and that “your company may just sit up and notice how shiny your dishes are.” Of course, products may also slip in their degree of reference-group influence as they near saturation levels of ownership. Thus, attention to changing perceptions over a product’s life cycle is important.

\textbf{8-4b Variability among Groups.} Reference-group influence has been shown to vary according to characteristics of the group or its type. For example, comparison of reference-group influence scores for students and homemakers across twenty products showed that there are significant differences between the groups in terms of the influence of reference groups on brand selection, and that students are generally more susceptible to reference-group influence. Why? Perhaps differences in needs or motivations among the groups result in different responses to reference-group influence. First, the lower age of students perhaps results in their having less familiarity with products and less product information and in their facing greater purchase risk than homemakers would. Second, social surroundings and daily activity differences exist between the groups. Students have more frequent social contacts, more interaction within groups (such as sororities, fraternities, and dormitory residents) which impose more rules and norms and more visible behavior subject to group pressure than do homemakers. Third, hedonism may be stronger among students than among homemakers, so that they are more highly ego-involved in their purchases.\textsuperscript{31} Thus, we see that different groups exhibit different reference influences. Let’s briefly examine a few of these group factors that seem to influence conformity.

First, conformity may be related to group cohesiveness. One study of brand-choice behavior found group cohesiveness and brand similarities to be positively related.\textsuperscript{32} However, not all researchers have found group cohesiveness to be associated with group influence. Conformity also appears to be related to group size. One set of experiments showed that increasing the number of influencing members up to three increased the pressure toward conformity on the experimental subject, but beyond three, the influence was found to be no greater.\textsuperscript{33}

Proximity to group members can influence conformity. For example, a study of elderly consumer social-interaction patterns found that more than 80 percent of the exchange of information and advice about a new product occurred between persons living on the same floor.\textsuperscript{34} This and other studies have indicated that influencers and influencees live close to each other.

The individual’s relationship to the group is another factor that determines its influence on conformity.\textsuperscript{35} One’s social integration (such as the level of acceptance by other group members) and one’s group role are factors that generally are positively related to the degree of group influence on the individual.\textsuperscript{36} However, social comparison processes are at work even in socially distant reference groups.\textsuperscript{37}

Similarity to the group’s characteristics, outlooks, and values is also important. For example, consumers are more likely to seek product information, to trust this information, and to choose the same products as do friends who have similar attributes. This suggests that a new product can be
diffused fastest when the market possesses similar value orientations about similar types of products, because the likelihood of interpersonal communication and influence is greatest.\(^{38}\)

Although similarity is likely to be important, one research study indicates that the single most important element of referent selection for fifteen products commonly purchased by undergraduate males is stage presence, involving the referent’s personal appearance or bearing.\(^{39}\) The persuasive charisma resulting from this attribute may be very relevant in certain marketing situations. For instance, the marketer may often want to choose a model or potential referent having this attribute when promoting through advertising or personal selling.

**8-4c Variability among Individuals.** The strength of reference-group influence not only varies among products and group type, but also among different consumers. That is, some individuals are more susceptible to reference-group influence than are others.\(^{40}\) What individual characteristics seem to be associated with consumer susceptibility to reference-group influence? It appears that both demographic and psychological factors are relevant.

First, *personality* factors are important.\(^{41}\) Conformity has been found to vary by personality type and is positively related to the following personality traits: low intelligence, extroversion, ethnocentrism, weak ego, poor leadership, authoritarianism, and need for affiliation, being a firstborn or only child, and feelings of personal inferiority or inadequacy.\(^{42}\)

The type of *social character* of consumers may also affect reference-group influence. An important consumer typology related to this is the inner-directed and other-directed individual.\(^{43}\) Other-directed individuals depend on others around them for direction and guidance. They have been taught to look to other people for correct standards of behavior and to be sensitive to the values and attitudes of their respected reference groups and associates.

**8-4d Variability by Type of Influence.** A study of reference-group influence on brand decisions of students and homemakers investigated the relevance of three types of reference-group influence (informational, utilitarian, and value-expressive) to a consumer’s selection of a brand or model.\(^{44}\) The consumer was assumed to have already decided to buy the product but was undecided on the brand or model.

The study showed, for example, that among students, ratings of informational influences were most important for half of the products studied, followed by utilitarian influences, with value-expressive influences least important for the products studied. Those products most likely to be subject to informational influence generally were items with greater technological complexity. Those products most subject to utilitarian and value-expressive influences were products that were important means of conforming to group norms or obtaining group identification and support through self-expression (such as automobiles and clothing). This study, therefore, indicates that for these subjects and product, informational benefits appear to outweigh the role of utilitarian and value-expressive benefits from the group.

Often, therefore, consumers buy products that others in their groups buy, not to establish some self-fulfilling role relationship to others, nor to obtain reward or avoid some punishment from the group, but simply to acquire what they perceive as a good product. In a similar way, an individual
in a shopping situation may use the reactions of other shoppers as a basis for inferring the value of products that she or he is unable to assess completely from direct observation.\(^4^5\)

Other research studies support the idea that groups may be used by consumers more for the information they provide than for the reward and identification they offer.\(^4^6\) The consequence of such findings for the marketer may be that more information-oriented advertising can be utilized with groups or referent individuals. In particular, the use of typical consumers in advertising to impart information to influence recipients seems to be in order. Current industry practice emphasizing “hidden camera” interviews with consumers appears to support this.

**8-4e Variability by Situation.** Several of the research studies cited previously related the variability of reference group influence to a behavioral situation. That is, reference group influence was seen to be related in some cases to the type of product, the item’s social visibility, and so forth. Some other research studies also indicate that the nature of the consumer situation has an important impact on the nature of reference influence.\(^4^7\) For example, investigation of group influence on brand usage of inexpensive grocery items, on patronage among various retail stores, and on utilization of certain services (such as a plumber or a physician) has shown that the areas of retail store patronage and service utilization are perhaps more susceptible to group influence than is brand usage of group products. Apparently, too, the amount of pressure exerted by a group in one behavioral context is not necessarily likely to be exerted in another context. That is, conformity influence appears to be a situation-specific phenomenon.\(^4^8\) Marketers should, therefore, carefully assess the extent to which reference group influence exists for their product, what type of influence appears to be more pervasive, and how customer segments may differ in their responsiveness to such influences. The situational nature of such influence also needs to be understood. From such knowledge, more effective marketing strategies may be developed incorporating referent power.

**8-5 SIGNIFICANCE OF THE FAMILY IN CONSUMER BEHAVIOR**

The family is both a *primary* group (characterized by intimate, face-to-face interaction) and a *reference* group (with members referring to certain family values, norms, and standards in their behavior). These two factors, however, are not the sole reasons responsible for the strength of the family’s influence. Rather, it is, first, the fact that the bonds within the family are likely to be much more powerful than those in other small groups. Second, contrary to most other groups to which the consumer belongs, the family functions directly in the role of ultimate consumption.

Thus, the family operates as an economic unit, earning and spending money. In doing this, family members must establish individual and collective consumption priorities, decide on products and brands that fulfill their needs, and also decide where these items are to be bought and how they are to be used in furthering family members’ goals.\(^4^9\) Also, consumers’ attitudes toward spending and saving and even the brands and products purchased have been molded, often quite indelibly, by the families they grew up in. The family’s impact on consumers’ preference extends beyond brand partiality. The way parents interact with their young children when making purchasing decisions has been proven to have a lasting effect. How parents handle the finances behind purchasing decisions can be just as effective on children. From temper tantrums in the cereal aisle to a child’s first bank account, the way in which a parent deals with finances and purchasing decision making can shape the decisions the child will make later in life.\(^5^0\)
Thus, marketers need to understand the nature of the family’s influence on its members and the way in which members make purchase decisions so that they may effectively program their marketing mix. There are several ways in which families differ from other groups.\textsuperscript{51}

\begin{center}
\begin{tabular}{|l|l|}
\hline
\textbf{Families} & \textbf{Other groups} \\
\hline
• formed by marriage or birth & • formed by job or task \\
• relationship more permanent & • relationship more contractual \\
• oriented more toward interpersonal relations & • oriented more toward goal \\
• seek more intrinsic value & • seeks more rational-oriented ties \\
• group-oriented (cooperative) & • self-oriented (competitive) \\
\hline
\end{tabular}
\end{center}

It is important to understand the difference between various terms that are frequently encountered when discussing the concept of family. First, we should distinguish between the terms “family” and “household,” since market statistics may be gathered on either of these bases. A \textit{household} includes the related family members and all the unrelated persons who occupy a housing unit (whether house, apartment, group of rooms, or other). Thus, households may be of two main types: families and non-families.

Most Americans live in households. Those who don’t, live in group quarters such as military barracks, prisons, nursing homes, and college dormitories. The term “family,” however, is more limited and refers to a group of two or more persons related by blood, marriage, or adoption and residing together as a household. Families constitute approximately seven out of ten households. One way families are classified by the Census Bureau is on the basis of the householder’s (i.e., the person in whose name the housing unit is owned or rented) marital status. A householder who lives with his or her spouse is a married-couple family (about 52 percent of all households). Families may also be classified on the basis of whether children are present. Although the term would appear to refer only to people under age 18, it actually can refer to children of any age.

Nonfamily households account for about 32 percent of households. The largest segment of these (about 26 percent of all households) is single-person households. Households in which two or more people who are unrelated to the householder reside (e.g., unmarried couples and roommates) are labeled “other nonfamily households” by the Census Bureau. Only about 6 percent of households fall into this category. Exhibit 8-1 and 8-2 present data on household changes in the United States. A basic trend operating in America is that people are spending less of their lives in family households, and families are becoming smaller.

\begin{center}
\begin{tabular}{|l|c|c|c|c|c|}
\hline
\hline
TOTAL HOUSEHOLDS (thousands) & 63,401 & 80,776 & 93,347 & 104,705 & 117,538 \\
Persons per household & 3.14 & 2.76 & 2.63 & 2.62 & 2.59 \\
FAMILY HOUSEHOLDS (thousands) & 51,456 & 59,550 & 66,090 & 72,025 & 78,833 \\
Persons per family & 3.58 & 3.29 & 3.17 & 3.17 & 3.16 \\
\hline
\end{tabular}
\end{center}

Exhibit 8-2 Households by Type: 1970 to 2010
(Percent distribution)

LEGEND
SERIES 1 = FAMILY - MARRIED COUPLE-With own children under age 18
SERIES 2 = FAMILY - MARRIED COUPLE-Without own children under age 18
SERIES 3 = FAMILY - Male householder
SERIES 4 = FAMILY - Female householder
SERIES 5 = NONFAMILY - Male householder
SERIES 6 = NONFAMILY - Female householder

It should be noted that marketers are interested not only in the concept of families but also of households, since both may form the basis or framework of much consumer decision-making and buying behavior. The marketer will use the concept that seems more relevant for segmenting markets. For instance, manufacturers of refrigerators, dishwashers, ranges, and other kitchen appliances would probably find households to be the more relevant dimension in estimating market size since purchase and replacement of these appliances would depend more on household formation than family formation. On the other hand, sellers of children’s clothing and toys would probably be more interested in data on families.

### 8-6 FAMILY LIFE CYCLE

The concept of family or household life cycle (FLC) has proven very valuable for the marketer, especially for segmentation activities.

#### 8-6a A Modernized Family Life Cycle

During recent years, many changes in the family have occurred, particularly in smaller family size, postponement of marriage, out-of-wedlock births, and rising divorce rates. While the traditional FLC might be thought of as typical, that is not the predominant pattern faced by today’s marketers. In the list below, the traditional stages are highlighted to indicate the variety of FLC trends in America. This modernized version is described as consisting of the following groups:

1. Bachelor I: head is 18-34, single (never married, divorced, separated, widowed), no dependent children.
2. Young Couple: female head is 18-34, couple (married or unmarried), no children.
3. Full Nest I: female head is 18-34, couple (married or unmarried), youngest child under 6.
4. Full Nest II: female head is 18-34, couple (married or unmarried), youngest child 6 or over.
6. Single Parent II: head is 18-34, single (never married, divorced, separated, widowed), youngest child 6 or over.
7. Bachelor II: head is 35-64, single (never married, divorced, separated, widowed), no dependent children.
8. Childless Couple: female head is 35-64, couple (married or unmarried), no dependent children.
9. Delayed Full Nest: female head is 35-64, couple (married or unmarried), youngest child under 6.
10. Full Nest III: female head is 35-64, couple (married or unmarried), youngest child 6 or over.
11. Single Parent III: head is 35-64, youngest child 6 or over.
12. Bachelor III: head is 65 or older, single (never married, divorced, separated, widowed), no dependent children.
13. Older Couple (Empty Nest): female head is 65 or older, couple (married or unmarried), no dependent children.

When these groups are viewed in a flow chart incorporating marriage, divorce/death, aging, and children entering and leaving, it helps to visualize the possible variety of different family life-cycle stages that the marketer may need to consider.
There is widespread agreement on the relationship between FLC and consumer behavior.

Sears did a large study to find out who purchased what at what stage of life. They found that people leaving the “young single” stage and entering the “young family” stage were far more likely to buy and own all types of appliances. Such information helps Sears’ corporate buyers, marketers, advertisers, and sales staff. For instance, salespeople are encouraged to identify the customer’s position in the life cycle—how many kids, what their ages are, and so forth—to sell products to appropriate prospects.54

The financial services industry clearly recognizes that as households act out different stages in the family life cycle, various financial needs arise. For example, research has shown that the family life cycle is a key determinant of banking interest and behavior. Implementation of this philosophy is illustrated by Citizens Savings Bank of Ithaca, New York, which began using a selling system based on family life cycle. The system used a visual sales aid book and customer data-gathering forms that enabled bank branch personnel to analyze new customers’ needs when accounts were opened, thereby helping them to present other financial products. Using colorful point-of-sale graphics and a computer-based household central information file, the program became very successful and won industry awards. In a test group of customers, Citizens increased its penetration level from 1.8 services per household to 3.4 services per household in just six months.55

Research done using the FLC model has revealed many consumption differences across household life-cycle stages, indicating that the model is a useful segmentation tool. It is a good predictor of individual attitudes and leisure activities. The model is strongly and significantly related to food and beverage consumption, major and minor appliance ownership, dollar value of major household acquisitions (first and second homes, autos, RVs, boats, etc.), and dollar value of home entertainment devices (sound systems, home entertainment systems, DVRs, etc.) and furniture.56

8-6b Beyond the FLC: Intergenerational Influences. An important issue related to the concept of family life cycle concerns the degree to which family influence affects children’s consumer behavior later as adults. Although little research has been done on this subject, it would seem that there is a significant degree of influence—and it is not simply one-way. That is, not only do parents influence children but children also have the opportunity to influence their parents’ consumer decisions.57 Adult children may also have an important influence on the consumer decisions of their aging parents.58

The family is the primary socialization agent for each new generation. The transmission of attitudes, values, and behaviors from parents to children is termed intergenerational transfer. This socialization process results in the transmission of not only general social values and norms, but also skills and knowledge relevant to becoming successful consumers in a complicated marketplace. Through our families we first learn skills such as budgeting, attitudes and preferences toward products and brands, store choice and shopping patterns, the meaning of marketing communications, and price-value judgments. The effect of such processes has only been hinted at because of the small number of studies on the influence of parents’ consumption decisions on subsequent choices made by their adult children. But it appears that these effects may be strong.59 Thus, a relevant question for the marketer is the extent to which this family influence carries over into our consumer behavior as adults. It should be noted, too, that such influences may continue to be exerted between parents and children as each group...
ages, particularly among families with children who return to the security of the nestlike boomerangs, perhaps because of decisions about school, work, or marriage. In fact, about 22 percent of those aged 25 to 34 live with their parents or other relatives. Therefore, the intergenerational influence is likely to continue to be an important factor in consumer purchasing decision making.

**8-7 FAMILY PURCHASING DECISIONS**

This section probes more deeply into the nature of the decision-making process within the family and its implications for consumer behavior and marketing.

**8-7a Purchase Process Roles.** There are several ways of viewing family member roles as they relate to the purchase decision and consumption process. In this context, there are six roles that may be performed by various family members.

First, one or another family member may be the *initiator*, the individual who recognizes the problem or need for the item. In this role, the suggestion may be made by the wife, for example, that the household needs a food processor in order to prepare meals more easily. A second role is that of *influencer*, who is the person that informs or persuades others in a purchase situation. In the food processor example, this person might be the husband. He may also be thought of as an *opinion leader* in that he exerts personal influence on other family members with regard to a particular purchase situation.

A third and related role is that of *information gatherer*, in which one or more individuals will secure information related to the possible purchase. This information may pertain to products or places of shopping. Often, the individual most knowledgeable in the product category will gather information. For example, a husband may well gather information about a possible lawn tractor purchase while the wife may gather information about new financial services offered by a local bank.

The role of *decision maker* involves having authority to make the buying decision. The individual who makes this decision might be the same as the influencer or information gatherer, although not necessarily so. For instance, the wife may make the decision to purchase a microwave oven as well as the decision on which brand to buy, after having gathered information about various models available. Often the decision is a joint or shared one in which more than one family member participates.

The *purchaser* role involves the act of purchase by one of the family members. In other words, the individual who buys the item in the store or, perhaps, places a telephone order for merchandise is acting in the role of purchasing agent for the family. The decider and purchaser need not necessarily be the same individual. For example, a teenage son or daughter may merely execute their parents’ supermarket shopping list. In this situation (in which brands, sizes, and the like are specified), the youth is only a purchaser, not a decision maker. At other times, however, the purchaser may occupy a very strategic role in the brand decision. One study, for instance, found that nearly one-third of beer drinkers delegated the brand decision to the purchaser (usually the wife) and that the purchaser was aware of the consumer’s preferences nine out of ten times.

Sometimes the purchaser may be referred to as the *gatekeeper*, that is, a family member who is able to control the flow of products into the family. In other words, the purchase may be consummated or blocked by this individual. The role of gatekeeper is well-illustrated in a study of children’s purchase influences on parents. In this research, children were found to suggest which cereal brands their mothers should purchase when shopping. The mothers, however, were in the gatekeeper position, frequently disagreeing with their children as to what cereal should be purchased, and hence controlling the flow of this product into the family.

*Users* are those who consume the product or service. A user may be the same person who performs each of the other roles, or it may be another person. The latter situation is often possible, for instance, in the case of a child for whom products such as clothing, toys, and so forth are purchased.
For the marketer, it is important to distinguish each family member’s role in order to develop an optimum marketing strategy. Assumptions made about such roles should be checked through consumer research so that the marketer is certain that the correct mix is aimed at the right individual. Knowledge of who generally performs which purchase and consumption process role within the family unit will aid in product planning and development, providing promotion messages, determining distribution decisions, selecting prices, and so forth.

8-8 PUTTING THEORY INTO PRACTICE

Members of your targeted market segment(s) could be subjected to little or significant influence by reference groups and/or families. This chapter identified the aspects of these interpersonal influences that should be the object of formal or informal consumer research. There are some implications for the influence of families on the behavior of your target market members. The development of advertising and personal selling messages is strongly affected by family roles and decision-making patterns. For instance, the evaluative criteria by which a family will decide which brand of major appliance to purchase must be understood in developing the sales message. However, these criteria may vary among husbands and wives. For those decisions in which one spouse (such as the wife) dominates, then messages may be developed with that segment in mind. However, where joint decision making prevails, the marketer may need to develop separate messages attuned to each party’s buying criteria.

Products and services formerly associated just with couples need to broaden their appeal and merchandising approach to attract singles. Shelter and home furnishings, for example, are being purchased by singles in order to obtain a comfortable and desirable lifestyle. Marketers should strive to help them make these purchases easily. Bloomingdale’s, for example, has developed a self-contained home furnishings department where the merchandise assortment, display areas, and advertising approach are geared to the singles market.

With respect to social or reference groups, where neither product nor brand appear to be associated strongly with reference group influence, advertising should emphasize a product’s attributes, intrinsic qualities, price, and advantage over competing products. Where reference group influence is operative, the advertiser should stress the kinds of people who buy the product, reinforcing and broadening, where possible, the existing stereotypes of users. The strategy of the advertiser should involve learning what the stereotypes are and what specific reference groups enter into the picture, so that appeals can be tailored to each main group reached by the different media employed.62

The use of expert spokespersons with high credibility is an attempt to portray a reference group whose behavior the target market desires to emulate. Conversely, suggesting that your product is disapproved of by a negative reference group (i.e., a group that the target market members do not want to emulate) is another way to use reference groups in developing marketing strategy. Showing a target market member’s reference group’s approval of the purchase and use of the product is another typical strategy, often used in beer and soft drink ads. In personal selling situations, salespeople may mention how similar the customer is to previous buyers who are members of a reference group.

Likewise, differences in use of media among family members may necessitate using various message channels in order to reach influential or dominant family members. Reaching the purchaser may require one communication medium, while reaching the user may require another. For example, wives often are the purchasers of their husbands’ clothing. Consequently, a men’s clothing manufacturer may use one campaign to reach men through male-dominated media and another campaign to reach women through female-oriented media, to encourage their purchase of the brand. Appealing to both segments with specific media and with appeals that are appropriate for each would be ideal, but this approach assumes a rather large budget.
A similar strategy is often called for when advertising products for which children are significantly involved in the purchase decision. For example, because children directly influence the choice of which fast-food establishment to patronize, Burger King, McDonald’s, and other chains find it essential to appeal to children as well as to their parents.

For our product or service situation:

1. What classification of groups (primary/secondary, informal/formal) is most important in its purchase and consumption and how may these be incorporated in promotional messages?
2. How may it be related to various roles that consumers enact?
3. What types of social-group power are operative and how may we use that power to influence purchasers?
4. Is reference influence an important factor?
5. Are families or households the target of greatest interest to us in marketing efforts?
6. Which family life-cycle stage is likely to be the most important in its consumption?
7. How does the family role structure play a part in its purchase and consumption?
8. What general patterns of purchase influence are exhibited among family members, and how do these influences change as the decision process continues?
9. How are changing female or male family roles influencing the marketing approaches necessary to reach and sell our prospects (or products?) effectively?
KEY TERMS TO KNOW

Brand Community
A type of consumer reference group that’s a specialized, non-geographical bound community, based on a structured set of social relationships among admirers of a brand...marked by a shared consciousness, rituals and traditions, and a sense of moral responsibility.

Classification of Groups
A group consists of people who have a sense of relatedness as a result of interaction with each other, and may be classified according to a number of dimensions, including function, degree of personal involvement, and degree of organization.

Conspicuousness
A determinant in the purchase of consumer goods where the item must be exclusive in some way, and the item must be seen or identified by others.

Content of Groups
When groups are viewed in terms of their function, along such lines as students, factory workers, church members, and so on.

Decision Maker
One of six roles played by family members, the individual who has the authority to make the buying decision.

Family
Refers to a group of two or more persons related by blood, marriage, or adoption and residing together as a household.

Formal Groups
A category of groups where members have created a definite structure (for example, they may have a president, vice president, secretary, and treasurer); they are likely to be secondary groups designed to accomplish specific goals, whether economic, social, political, or altruistic. Examples include The United Way, The Humane Society, and the local Republican Party.

Group Norms
The rules and standards of conduct by which group members are expected to abide; generally unwritten but are, nevertheless, usually quite well understood.

Group Status
The achieved or ascribed position of an individual in a group or in society, and it consists of the rights and duties associated with that position.

Household
Includes the related family members and all the unrelated persons who occupy a housing unit (whether house, apartment, group of rooms, or other); may be of two main types: families and non-families.

Informal Groups
A category of groups characterized by a loose structure, a lack of clearly defined goals or objectives, unstructured interaction and unwritten rules.

Informational Benefits
A reason reference-group influence is accepted (or internalized) and where the consumer perceives that his knowledge of his environment and/or his ability to cope with some aspect of it (such as buying a product) is enhanced.
Influencer
One of six roles played by family members, the individual who informs or persuades others in a purchase situation.

Information Gatherer
One of six roles played by family members, one or more individuals will secure information related to the possible purchase.

Initiator
One of six roles played by family members, the individual who recognizes the problem or need for the item.

Intergenerational Transfer
The transmission of attitudes, values, and behaviors from parents to their children.

Membership Groups
A group category where membership is automatic by virtue of the consumer’s age, sex, education, and marital status.

Negative Reference Groups
A type of group that an individual attempts to avoid being identified with. Example: an individual who is trying to succeed as a new management trainee may attempt through her speech, dress, and mannerisms to disassociate herself from her lower social class background in order to have a greater chance of success in her job.

Nonmembership Groups
A group category where an individual does not presently belong and where membership is likely to be anticipatory or aspirational in nature.

Positive Reference Group
A type of group where membership attracts an individual. Example: an upwardly mobile consumer may want to be in the “country club crowd” in that city.

Primary Group
A category of groups where interpersonal relationships take place on a face-to-face basis, with great frequency, and on an intimate level; and where norms are shared and there are and interlocking roles. Examples include families, work groups, and even recreational groups (if individuals have some depth of personal involvement).

Privately Consumed Luxury
A product consumed out of public view and not commonly owned or used. Example: a trash compactor.

Privately Consumer Necessity
A product consumed out of public view that virtually everyone owns. Example: a mattress.

Publicly Consumed Luxury
A product consumed in public view and not commonly owned or used. Example: golf clubs.

Publicly Consumer Necessity
A product consumed in public view that virtually everyone owns. Example: a cell phone.

Purchaser
One of six roles played by family members, the individual who performs the act of purchase for family members.

Reactance
Where the individual is motivated to resist further reduction in his or her set of free behaviors and to avoid compliance with the inducing agent. In order for it to occur, two elements must be present: 1. a consumer must expect a measure of freedom to act in a given situation, and 2. some threat must arise that infringes upon that important freedom.
Role
The term used to designate all of the behavior patterns associated with a particular status and a dynamic aspect of status and includes the attitudes, values, and behavior ascribed by the society to persons occupying this status.

Secondary Groups
A category of groups where interpersonal relationships among members is relatively impersonal and formalized, and where the distinction lies in the lack of intimacy of personal involvement, such as political parties, unions, occasional sports groups, and organizations like the American Marketing Association.

User
One of six roles played by family members, the individual or individuals who consume the product or service (and may be the same person who performs each of the other roles, or it may be another person).

Utilitarian Benefits
A reason reference-group influence is accepted and where the consumer complies if (1) she believes that her behavior is visible or known to others, (2) she perceives that others control significant sanctions (rewards or punishments), and (3) she is motivated to realize the reward or avoid punishment.

Value-Expressed Benefits
Relates to an individual’s motive to enhance or support his self-concept by associating himself with positive reference groups and/or disassociating himself from negative referents; and influence is characterized by two different processes: 1. an individual may utilize reference groups to express himself or bolster his ego, and 2. an individual may simply like the group and therefore accept its influence.

Variability among Groups
Where reference-group influence varies according to characteristics of the group or its type.

Variability among Individuals
Where reference-group influence varies according to the characteristics of the individuals.

Variability among Products
Where reference-group influence varies according to the characteristics of the product.

Variability by Situation
Where reference-group influence varies according to the behavioral situation.

Variability by Type of Influence
Where reference-group influence varies according to the characteristics of the reference-group influence (informational, utilitarian and value-expressive).

Virtual Reference Groups
A type of consumer reference group that has arisen with the increased use of the Internet and where the group has a shared interest and where members virtually interact over time at a dedicated website, blog or Usenet (Internet message boards).
CHAPTER 8 NOTES


Chapter 8

Reference Group and Family


48. Murphy, and Cunningham, “Correlates.”


61. Ibid.